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Podcast Document

Asset Maximization: Optimizing Infrastructure Investments

From the Series: Top 5 Steps Service Providers Need to Take to Remain Profitable in Tough Economic Times

This document is based on the podcast “Asset Maximization: Optimizing Infrastructure Investments”, presented by Bob Titus, NetCracker’s VP of Global Converged Services. It is part of NetCracker’s podcast series “Top 5 Steps Service Providers Need to Take to Remain Profitable in Tough Economic Times”.

The podcast was originally broadcast on December 1, 2009 and is available at www.NetCracker.com.

In today’s market, Service Providers must make the most of their capital investments. Capital assets are used to provide revenue-generating services and to keep those services operating efficiently. These assets include network infrastructure and customer premises equipment, logical circuits and capacity, IT servers and memory, and storage — in short, any logical or physical infrastructure used to provide services.

Given that these assets are what Service Providers spend the most capital on, it’s worth asking: “How well

“How well are your assets being utilized?”

are these assets being utilized?” Unfortunately, many Service Providers

suffer from one or more problems that result in the under utilization of assets.

Unutilized Assets

The first problem area is assets that are not utilized at all. Here we are talking about dust collectors — equipment sitting unused in warehouses, closets,

“Unutilized Assets are Dust Collectors.”

trucks, under desks — all gathering dust.

These assets may be lost or unused from a lack of proper asset tracking and inventory functions or from sparing levels that are too high or improperly balanced.

Stranded Assets

The second problem area is stranded assets. These are physical or logical resources that were once used but are no longer being utilized to deliver or assure services.

Examples of stranded assets include provisioned, channelized circuits with no traffic, disk partitions with no data, equipment racks with no port connections, and software that’s no longer used but continues to consume licenses. It can also include returned customer premises equipment or repaired equipment that is not redeployed.

Assets can become stranded due to process issues or the lack of an end-to-end view of the relationship between assets.

A too common example is service and network changes that are not completed properly — such as turning off a customer service, but leaving the associated circuit provisioned in the network.

Without the proper processes and tools to track and manage the location, configuration, and utilization of assets, these capital investments continuously become stranded.

Underutilized Assets

A third major problem area is assets that are simply underutilized. These include underutilized network capacity such as ports and circuits — but also servers, disks, CPUs, and memory that are hardly taxed.

“Underutilized Assets are Stuck in the Slow Lane.”

revenue and alleviate or delay the need to purchase additional infrastructure.

These assets are stuck in the slow lane. Discovering them and putting them to work can generate

Achieving Asset Maximization

So how do Service Providers overcome these problems and achieve asset maximization?

The answer, of course, lies in a combination of systems and processes to properly manage the end-to-end lifecycle of assets.

“Establish an End-to-End Lifecycle Approach to Managing Assets.”

In short, know what you’ve got, where it is, how it’s configured, and how it’s being used — from the time it’s initially purchased until the time it’s decommissioned.

“Know What You’ve got, Where It Is, How It’s Configured, & How It’s Being Used.”

This requires accurate and timely data as well as processes to ensure the integrity of this information so it can be used to enable optimization of the assets. These key capabilities can only be achieved through systems and automation. Resource repositories are needed that can truly model and understand Network and IT configurations and all their relationships. Process automation and process control are essential for the allocation and configuration of resources — and getting it right the first time. Automation is also required to discover and reconcile the Network and IT infrastructure with the resource repositories, identifying potentially stranded assets and highlighting breakdowns in associated processes.

A next-generation OSS suite provides all these capabilities.

“Use Next-Generation OSS Capabilities Together With Effective Processes.”

- Resource Inventory can provide a consolidated and complete view of a Service Provider’s Network and IT infrastructure.
- Service and Resource Catalogs, combined with network, service, and IT provisioning automation, ensure that the right assets are configured, deployed, and recovered at the right times.
- Discovery and Reconciliation tools and process automation provide a direct link to the infrastructure — ensuring that changes to Network and IT assets are captured and reconciled.

The result of these capabilities is accurate and timely information that can be analyzed and reported on within the OSS infrastructure. This ensures that assets are properly deployed and recovered and that their utilization is maximized.

The Financial Impact of Maximizing Assets

The financial impact of these capabilities is substantial.

“Investing in OSS to Maximize Asset Utilization Pays Back Large Returns.”

Capital expenditures can be delayed, and more revenue can be generated from existing investments. The business case is clear:

Investing in OSS to maximize asset utilization pays back large returns.

Answering the following questions can steer Service Providers toward asset maximization:

- How much capital have you invested in your Network and IT infrastructure?
- How well is it utilized?
- How much have you invested in the tools and processes to ensure that the utilization is maximized?

Answering these questions — and making the right investments in asset maximization — will help a Service Provider remain competitive in today’s challenging economic environment.

If you need more information, or if you’d like to hear more about the capabilities offered by NetCracker in this area, please contact NetCracker or visit www.NetCracker.com.

We look forward to hearing from you.